

S-E-C-R-E-T

REPORT

CD NO.

DATE DISTR. 7 September 1955

NO. OF PAGES 4 25X1

NO. OF ENCLS.
(LISTED BELOW)

SUPPLEMENT TO
REPORT NO.

THIS DOCUMENT CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE OF THE UNITED STATES, WITHIN THE MEANING OF TITLE 18, SECTIONS 793 AND 794, OF THE U. S. CODE, AS AMENDED. ITS TRANSMISSION OR REVELATION OF ITS CONTENTS TO OR RECEIPT BY AN UNAUTHORIZED PERSON IS PROHIBITED BY LAW THE REPRODUCTION OF THIS FORM IS PROHIBITED.

THIS IS UNEVALUATED INFORMATION

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1. On 15 April 1955, it was learned [REDACTED] that government circles were rather [REDACTED] crisis in the country. An SED functionary stated that unrest [REDACTED] June 1953 might be expected in this connection. It was also [REDACTED] that the Soviet advisers attached to the Ministry of Agriculture personally inspected farms in the GDR.
2. On 30 March, the GDR received a shipment of 3,500 tons of rye from the USSR. Another shipment of 3,500 tons of rye was expected in June. The USSR is said to be unable to deliver wheat at the present time. On 31 March, a shipment of 380 tons of beef and pork arrived in the GDR from Rumania.
3. On 23 and 24 March, Kurt Gregor, State Secretary at the Ministry of Foreign and Domestic Trade, conducted negotiations in Moscow concerning the delivery, in September, of grain, meat, and canned fish. Gregor is said to have stated in Moscow that food stocks on hand in the GDR would last only until the end of June 1955.
4. In late March, it was learned from leading functionaries of a political party that the food situation in the country would soon improve. The bread scarcity would soon be overcome and Poland would deliver meat and sausages. It was allegedly intended to reduce the prices for specific categories of consumer goods in May 1955.
5. The food situation in the GDR deteriorated in the course of March. The distribution of flour, butter and sugar was reduced, a measure which created unrest among the population.
6. From mid-February to mid-March, it was observed in Berlin that the [REDACTED]

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SECRET - [REDACTED]

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The butter sold became unusable after a few days. No fat was available at state-owned HO shops, and no beef was obtainable without ration cards. A limited supply of canned meat, allegedly from state reserve warehouses, and fresh pork was available in some shops.

7. Prior to mid-March, it was learned that the critical food situation of the country had been eased since 17 June 1953 through regular deliveries from the so-called state reserves. The Soviets have allegedly ordered that these deliveries be stopped immediately and that stocks be replenished within three months. Preserved food which is still on the market, some of it in jars, is said to be too old for longer storage.
8. Between 7 and 13 April, Soviet canned meat and fish which had only occasionally been on sale in East Berlin food shops since the fall of 1954 were again available.
9. On 24 March, large quantities of food were observed arriving by truck at food shops in Falkensee near Berlin. The food reportedly came from the interior of the zone. It was also learned that all kinds of food were available except for butter. A member of the HO Kreis headquarters stated that the food situation was still very critical throughout the Soviet Zone of Germany. The crisis would probably increase until June and July. In East Berlin shops, it was learned that large quantities of food and consumer goods were made available from storage depots in order to eliminate hoarding.
10. In March, it was learned that the sale of butter was suspended at the HO food shop of the Postal and Telecommunications Ministry in mid-March.
11. On 15 April, neither beef nor mutton was available at the cooperative meat shop at Falkensee. Only frozen pork of a poor quality delivered by China was sold.
12. Only small quantities of margarine were sold at the HO shop at Neuruppin, between 20 and 27 March. Brawls occurred among the people waiting in line for margarine before the shop. In March, no wheat flour and sugar were available without ration cards. Food due on ration coupons was delivered irregularly. The police had been ordered to take strict measures against any complaints about shortages of food. 25X1
13. In February, the meat delivery quotas fixed for Kreis Neuruppin were not fulfilled. There were arrears of 100 tons. In late March, it was learned in Kreis Neuruppin that seed was only issued in exchange for a corresponding quantity of the crop involved. Most of the farmers did not have the grain required; the same applied to potatoes. 25X1
14. In mid-March, it was learned from a leading employee of the HO in Brandenburg that there was at present a critical shortage of butter. The butter due on ration coupons could only be made available by drawing on imports [REDACTED] and reserves kept in cold storage. Butter allocations to restaurants had been cut by 30 percent. Lard was also not available at HO shops. Margarine supplies were still adequate, but the situation in this field was expected to deteriorate in view of the critical shortage of butter, fats and oil. Fresh meat was supplied

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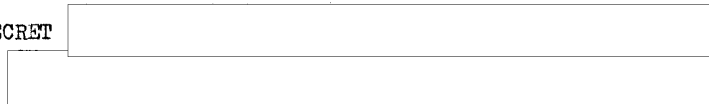
in adequate quantities; there was a shortage of canned meat, however, because the Soviet occupation forces and the KVP had to receive sizable amounts of canned meat from the state reserves in January and February 1955. There was a growing shortage of wheat flour, and the production of white bread and biscuits had to be reduced by 30 percent. Bread was only made of 86% ground rye. It was expected that cake would soon be sold only for ration coupons for fat and sugar. No sugar was sold at HO shops in April. The critical food situation was explained by larger food exports and poor crops in 1954.

15. [REDACTED] of 2,000 female workers of VEB Kunstseidenwerk "Friedrich [REDACTED] unitz was addressed by an SED functionary. When [REDACTED] stated that the food situation was not critical, he was invited to accompany a delegation of female workers to local food shops. When this was done, the functionary learned that flour, oats, grits, eggs and beef had not been available for several days.
16. In March 1955, it was observed during train rides between Luckenwalde and Berlin-Ludwigfelde that the main topic of the passengers was the growing shortage of food. Among the items mentioned were butter, eggs, oats, wheat flour, sugar, liquor and matches.
17. In March, it was learned in Guben that there was a growing shortage of foodstuffs and consumer goods in the town. Sugar and wheat flour was hardly obtainable. Butter was only sold in quantities of 125 grams and people had to wait in line for it. Tobacco was also in short supply. Bed sheets and pillow cases were only sold for a written receipt ((sic)).
18. In early April, it was learned that the food situation continued to be critical in Spremberg. No flour, sugar, butter or margarine were sold at HO shops. Ration coupons were, however, still supplied.
19. In early April, it was learned in Zittau and its vicinity that the shortage of foodstuffs and consumer goods had increased. The people voiced their discontent rather openly. It was rumored in the city that some arrests had been made in connection with criticism of the government. Butter, sugar, eggs, flour, meat etc were in short supply. Goods which were still obtainable such as noodles, peas, pearl barley, soap and cloth were hoarded. In mid-March, the following notice was seen in the window of a HO meat shop: "Sale quota fulfilled; no further deliveries in this month."
20. In March, the food situation at Koenigsbrueck near Dresden deteriorated. Butter and meat could only be obtained in inadequate quantities. The margarine sold was of very poor quality. The fat content of milk is said to have been reduced. Discontent was widespread among the population, but it was voiced only reluctantly.
21. Prior to 15 April, it was learned in Weimar and neighboring villages that the food situation had become more critical. Only small quantities of inferior butter were sold at HO shops. When a person complained at the local health office, about the unhealthful quality of bread bought at a cooperative shop, he was told that in this case nothing could be done. Long queues were seen in front of HO and cooperative shops. Only about one tenth of the milk required for babies was available.
22. In the month of March, no butter or suet was available in Weimar. Margarine, lard, and saccharine were in short supply. The quality of the flour and bread sold was very poor. Oats had not been available since the start of 1954, and peas and lentils had not been on the

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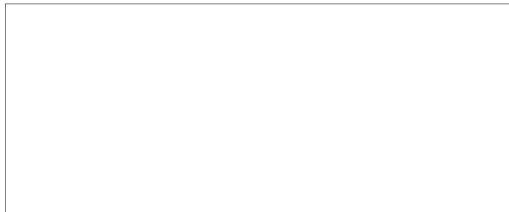
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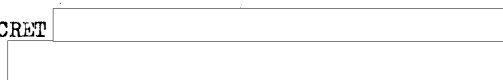
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5. The food situation in the GDR deteriorated in the course of March. The distribution of flour, butter and sugar was reduced, a measure which created unrest among the population.
6. From mid-February to mid-March, it was observed in Berlin that the quality of butter and pork available on ration cards was very poor.

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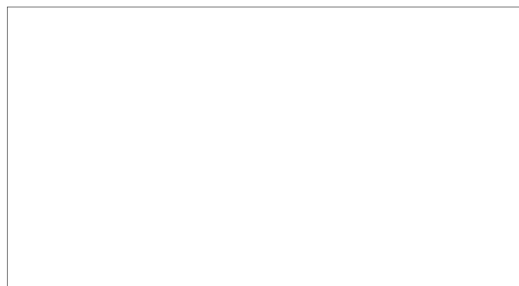
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